

REPORT
OF THE
PRESIDENT AND DIRECTORS
OF THE
MICHIGAN CENTRAL
RAILROAD COMPANY,
TO THE STOCKHOLDERS,

FOR THE
YEAR ENDING DECEMBER 31ST, 1881.



THE FREE PRESS BOOK AND JOB PRINTING HOUSE.

1882.

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DETROIT:

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DIRECTORS.

WM. H. VANDERBILT,
NEW YORK CITY.

CORNELIUS VANDERBILT,
NEW YORK CITY.

AUGUSTUS SCHELL,
NEW YORK CITY.

SAMUEL F. BARGER,
NEW YORK CITY.

WM. K. VANDERBILT,
NEW YORK CITY.

EDWIN D. WORCESTER,
NEW YORK CITY.

ANSON STAGER,
CHICAGO, ILL.

WILLIAM L. SCOTT,
ERIE, PENN.

ASHLEY POND, DETROIT, MICH.

OFFICERS.

PRESIDENT,
WM. H. VANDERBILT.

TREASURER,
CORNELIUS VANDERBILT.

ASS'T TREASURER,
HENRY PRATT.

VICE PRESIDENT,
CORNELIUS VANDERBILT.

SECRETARY,
EDWIN D. WORCESTER.

GENERAL MANAGER,
HENRY B. LEDYARD.

AUDITOR,
D. A. WATERMAN.

GENERAL OFFICES.

NEW YORK CITY, GRAND CENTRAL DEPOT.

DETROIT, MICH., FOOT OF THIRD STREET.

CHICAGO, ILL., FOOT OF SOUTH WATER STREET.

ANNUAL MEETING.

THURSDAY FOLLOWING THE FIRST WEDNESDAY IN MAY.

REPORT.

NEW YORK, April 1st, 1882.

The following report of the Company's business, its property and affairs, for the year ending December 31st, 1881, is respectfully submitted.

CAPITAL STOCK.

The Capital Stock remains unchanged at \$18,738,204.

FUNDED DEBT.

The following changes have occurred in the Funded Debt:

The Sinking Fund Trustees have purchased \$3,000 of the First Sinking Fund, and \$5,000 of the Second Sinking Fund Bonds—a total of \$8,000.

The Trustees of the Jackson, Lansing and Saginaw Railroad Northern Extension eight per cent. Bonds, have called in, and with proceeds of land sales, paid and cancelled \$196,000, which completes the retirement of that issue.

The Jackson, Lansing and Saginaw Railroad Company, having completed the extension of its road to the straits of Mackinac, issued thereupon six per cent. Extension Bonds, to the amount of \$1,100,000, the payment of which is guaranteed from the proceeds of land sales, by the modified agreement of that Company. The interest is guaranteed by this Company, in its lease of the Jackson, Lansing and Saginaw property.

From April 1st, 1881, this Company leased the Detroit and Bay City Railroad, and assumed its debts; for which Michigan Central fifty year five per cent. Bonds, secured by a first mortgage on the Bay City property, were issued to the amount of \$3,576,000; there also remain outstanding 424 Bonds of the original issue of the Detroit and Bay City Railroad Company, which, prior to the sale of

the property in February, 1881, were secured by a first mortgage thereon, and also by the guarantee of this Company, but which, since the sale, hold no lien upon the property, and are valuable only for the guarantee above mentioned; they are, however, exchangeable for 424 Bonds of the new issue, which are held for that purpose, and when so exchanged, will increase the present issue to \$4,000,000.

For detailed description of the Funded Debt, see table herewith.

PROPERTY.

The result of the year's improvements and additions to the property is very satisfactory; the especial features of which, are the largely increased terminal facilities at Detroit Junction, the construction at the Company's shops of new and additional Locomotives, the construction of new Second Track, new Iron Bridges, new Buildings, etc., as more fully detailed in the General Manager's report herewith.

OPERATION.

The Freight Traffic shows an increase of 54,400,000 tons moved one mile, or 7.40 per cent. over the previous year; while the earnings, on account of the prevailing low rates incidental to the sharp contest between the Trunk lines, from the effects of which this Company could not separate itself, record a decrease of \$520,000, or 8.40 per cent. Had the rate of 1880 been obtained on the traffic for 1881, the net revenue therefrom would have been \$970,000 (equal to over five per cent. on the Capital Stock) greater than it now is.

The Passenger Traffic also shows an increase over the previous year of 20,200,000 passengers moved one mile, or 17.47 per cent., and of earnings \$350,900, or 14.26 per cent.

The Operating Expenses show an increase over those of 1880, of \$993,000 or 17.31 per cent., which, however, is very favorable, when compared with the increased cost of labor, materials and fuel, which is 27 per cent.; in this connection, and by further reference to the General Manager's report, it will be observed that the Operating Expenses include the cost of 10,000 tons of new Steel Rails (an increase over the previous year of 5,300 tons), the cost of 9 new and additional Locomotives, and the cost of 4 new Iron Bridges.

CONSTRUCTION.

The increase in Construction since our last report, including the entire system, is \$3,779,328.76 of which amount \$3,541,038.89 is for the acquirement of the Detroit and Bay City Railroad; the remaining amount of \$238,289.87 as shown in detail in the General Manager's report, is for the cost of Lands, new Yards and Buildings for additional terminal facilities, new Second Track, Right of Way and Gravel Pits.

Included in the above acquirement of the Detroit and Bay City Railroad, and as represented by the inventory of Cars and Locomotives, accompanying the General Manager's report, are 350 new Box Freight Cars and 2 new Locomotives, which have been added to the equipment, as received with the Bay City property.

The above mentioned inventory also includes 8 new Locomotives, which have been added to the equipment of the Jackson, Lansing and Saginaw Railroad, and paid for by that Company from the issue of its Bonds previously mentioned.

FINANCIAL RESULT.

The business of the year, and its comparison with the two preceding years, are fully set forth in the following table:

	1881.		1880.		1879.	
Gross Revenue.....	\$8,934,331 62		\$9,085,748 71		\$7,415,428 86	
Operat'g Expenses..	\$6,732,095 90		\$5,738,751 09		\$4,699,592 43	
Interest and Rent...	1,692,926 38		1,569,429 58		1,587,782 00	
Guarant'd Interest..			16,980 00		33,920 00	
Jackson Accident..			70,000 00			
	8,425,032 28		7,395,160 67		6,321,294 43	
Net Revenue.....	\$ 509,309 34		\$1,690,588 04		\$1,094,134 43	
Dividends.....	2½ % 468,455 10		8 % 1,499,056 32		5½ % 1,080,601 22	
Residue.....	\$ 40,854 24		\$ 191,531 72		\$ 63,533 21	

INCOME.

After charging to this account the usual disbursements for operating expenses, extraordinary repairs, renewals, interest, rentals and dividends, an increase is shown for the year, of \$40,854.24, making the balance since 1878, \$346,819.17. By a comparison of the Construction Account with the Capital Stock and Funded Debt of the Company, it will be seen that \$343,473.87 of such balance has been expended on the property of the Company.

MISCELLANEOUS.

The annual report of the Sinking Fund Trustees, will be found in its usual place herewith; by which it will be seen that the market value of the assets in their hands will be sufficient to take care of upwards of four-fifths of the Mortgage Loan and Sinking Fund Bonds, which become due on 1st October next.

Attention is invited to the annual report of the Land Commissioner of the Jackson, Lansing and Saginaw Railroad Land Grant, which in view of the prospective value of that property, presents some very interesting features.

By order of the Board of Directors,

WM. H. VANDERBILT,
President.

REPORT

OF THE

GENERAL MANAGER.

DETROIT, MICH., March 28th, 1882.

WM. H. VANDERBILT, Esq.,
 PRESIDENT M. C. R. R. Co.,
New York City.

DEAR SIR—Herewith are submitted statistics showing the business of the road for the year ending December 31st, 1881.

ROADWAY AND TRACK.

Length of Road operated.

	Miles.
MAIN LINE—Detroit to Kensington.....	270.07
Kensington to Chicago, used jointly with I. C. R. R.....	14.00
Total Main Line.....	284.07
Leased Lines.....	665.52
Total.....	949.59

The increase in mileage of road operated is due to the acquisition by this Company of the Detroit and Bay City Road, with its Branch Lines, the total mileage of which is 150 miles.

About ten thousand tons of steel rail for repairs have been laid during this period, the entire cost of which is included in operating expenses.

The number of miles now laid with steel is:

	Miles.
Main Line, main track.....	270.07
Main Line, second track.....	89.00
Air Line Division.....	103.60
Jackson, Lansing and Saginaw Division.....	110.84
Grand River Valley Division.....	53.32
Detroit and Bay City Division.....	72.23
Joliet and Northern Indiana.....	45.00
Total.....	744.06

During the same period side tracks have been built to the extent of 14 miles, cost of same being included in road repairs.

DETAILS OF TRACK DEPARTMENT CHARGED TO OPERATING.

Track ties renewed.....	392.828	
Track ballasted.....	20.85	miles.
Fence built.....	336.61	"

BRIDGES.

Included in Bridge Repairs are the following replacements of Wooden Bridges, with Iron Truss Bridges, Stone Abutments :

Huron River, one mile west of Ann Arbor, 120 feet in length; Huron River, two and one-half miles west of Ypsilanti, 120 feet in length; Creek, west of Dexter, 54 feet in length; Coffee Creek, one-half mile east of Porter, 108 feet in length; Arch Culvert, 24 feet opening at Salt Creek, three and one-half miles west of Porter, costing in all about \$58,000.

In addition to the above, twenty-four wooden bridges of various lengths have been rebuilt, and 1093 feet of bridges filled, requiring 29,073 cubic yards of earth work.

BUILDINGS.

Included in Building Repairs are the following improvements: new Passenger Houses at Lawton and Albion; new Office and Trainmen's House at Michigan City, and a four-stall brick Engine House at Kalamazoo. New Water Works have been constructed at Galien, Three Oaks, and Concord.

CONSTRUCTION.

The rapid increase from year to year of the freight traffic of the Company has rendered increased terminal facilities an absolute necessity. With this in view, there were purchased during the last year, outside of Detroit, near the Company's Car Shops, 47 acres of land. On this land there has been commenced the construction of a yard for the handling of freight trains, and delivery of cars to connecting lines. Some 14 miles of track have already been laid. It is expected to add to this yard from year to year as the requirements of the traffic may demand. In connection therewith, a freight transfer house, car repair shop, and train master's office have been built. The total amount expended during the last year, including the cost of the land being \$151,786.51.

Second Track—The grading for the second track from Leoni to Chelsea, a distance of 14 miles has been completed, and the track laid with steel rail from Leoni to Grass Lake, a distance of three and a half miles, at a total cost of \$69,551.77. Owing to the increase of traffic on the branches, it was thought best to use the steel on hand for replacing worn iron, and to defer the laying of any additional track until another year.

The following items have also been charged to Construction :

One mile of Second Track between Lansing and North Lansing.....	\$ 6,301 59
Land at Grand Rapids, Right of Way, and Gravel Pits, amounting to..	10,650 00
Making the total charged to Construction.....	238,289 87

JACKSON, LANSING AND SAGINAW EXTENSION.

Since the close of the year the extension of the Jackson, Lansing and Saginaw Railroad, from Gaylord to the Straits of Mackinac, a distance of about sixty-three miles has been completed. The business from this extension is already proving even more satisfactory than was expected.

EQUIPMENT.

The number of Locomotives has been increased by thirty-five, of which eighteen were acquired with the Detroit and Bay City Railroad, eight purchased for the extension of the Jackson, Lansing and Saginaw Railroad, and nine built at the Company's shops, the cost of the latter being included in Locomotive Repairs. The total number is two hundred and fifty-four, of which two hundred and forty-one are coal burners and thirteen wood burners.

The Company also acquired with the Detroit and Bay City Railroad the following Rolling Stock: seven Coaches, two Second Class Cars, two Baggage Cars, five combination Passenger and Baggage, two combination Passenger and Sleeping Cars, and six hundred and sixty-seven Freight Cars. Eighteen Way Cars have been built at the Company's shops, the cost of same being included in repairs.

OPERATION.

Earnings and Expenses for the year ending December 31st, 1881, compare as follows for the same period of 1880 :

EARNINGS.

	1881.	1880.	INCREASE.	DECREASE.
Freight.	\$5,675,731 00	\$6,195,970 72	.....	\$ 520,239 72
Passenger.....	2,812,705 53	2,461,771 31	\$ 350,934 22	.....
Miscellaneous.....	312,049 74	293,633 01	18,416 73	.....
TOTAL.....	\$8,800,486 27	\$8,951,375 04	.....	\$ 150,888 77

EXPENSES.

Excluding Taxes.....	\$6,516,293 21	\$5,541,495 57	\$ 974,797 64	.....
Taxes.....	215,802 69	197,255 52	18,547 17	.....
TOTAL.....	\$6,732,095 90	\$5,738,751 09	\$ 993,344 81	.....

RATIO OF EXPENSES TO EARNINGS.

Excluding Taxes.....	74.05	61.90	12.15	.....
Including Taxes.....	76.50	64.11	12.39	.....

FREIGHT STATISTICS.

	1881.	1880.	Increase.	Per Cent of Increase.	Decrease	Per Cent of Decrease
No. of Tons—Local.....	2,130,719	1,871,711	259,008	13.84	.....	.....
No. of Tons—Through.....	2,066,177	1,925,426	140,751	7.31	.....	.....
Total Tons hauled....	4,196,896	3,797,137	399,759	10.52	.....	.....
Tons moved one mile.....	790,022,930	735,611,995	54,410,935	7.40	.....	.....
Earnings per Ton per mile	Cent 0.718	Cent 0.842	.....	.....	Cent 0.124	14.73

PASSENGER STATISTICS.

	1881.	1880.	Increase.	Per Cent of Increase	Decrease	Per Cent of Decrease
No. of Passengers—Local.	1,834,135	1,477,419	356,716	24.14	.....	.....
No. of Pass'gers—Through (Including Emigrants.)	245,154	222,391	22,763	10.23	.....	.....
Total	2,079,289	1,699,810	379,479	22.32	.....	.....
Total Pass. moved 1 mile..	135,706,148	115,523,789	20,182,359	17.47	.....	.....
Earn'gs p'r pass. p'r mile.	Cents 2.072	Cents 2.130	.....	.....	Cent 0.058	2.72

The freight traffic shows an increase, the local having increased 13.84 per cent. in spite of the unusually small wheat crop of the State, and the through traffic, 7.31 per cent. The earnings per ton per mile, on account of the low through rates prevailing throughout the year, affecting also the local rates, shows a reduction of 14.73 per cent. The passenger traffic shows the large increase in the number of passengers moved one mile, of 17.47 per cent., but the earnings per passenger per mile show a reduction of 2.72 per cent. from the same causes which reduced the freight earnings. Further details of the operation of the different Departments will be found in the accompanying statements.

Respectfully submitted.

H. B. LEDYARD,

General Manager.

LOCOMOTIVE DEPARTMENT.

MILES RUN BY LOCOMOTIVES.

	1881.	1880.	INCREASE	DECREASE.	PER CT.
Passenger.....	2,213,971	1,865,258	348,713	.....	18.70
Freight.....	4,235,569	3,658,605	626,964	.....	17.16
Miscellaneous.....	266,153	241,023	25,130	.....	10.42
Switching.....	2,227,073	1,925,181	301,892	.....	15.68
Total.....	8,992,766	7,690,067	1,302,699	.....	16.94

EXPENSE OF MAINTENANCE.

Locomotive Repairs.....	\$360,278 08	\$269,927 53	\$90,350 55	.....	33 47
Locomotive Service.....	576,869 81	478,190 20	98,679 61	.....	20.64
Fuel.....	805,875 66	588,924 52	216,951 14	.....	36.84
Oil and Waste.....	33,543 08	26,466 95	7,076 13	.....	26.74
Total.....	\$1,776,566 63	\$1,363,509 20	\$413,057 43	.....	30.29

COST PER MILE RUN.

Repairs.....	4.01 cts.	3.51 cts.	0.50 cts.	.....	14.24
Service.....	6.42	6.22	0.20	.....	3.21
Fuel.....	8.96	7.66	1.30	.....	16.97
Oil and Waste.....	.37	.34	.03	.....	8.82
Total.....	19.76 cts.	17.73 cts.	2.03 cts.	.....	11.45

MILES RUN TO

Ton of Coal.....	29.22	34.53	.....	5 31	15.37
Cord of Wood.....	35.77	52.23	.....	16.46	31.51
Pint of Oil.....	9.14	10.49	.....	1.35	12 87

AVERAGE TRAIN HAULED.

Passenger.....	5.12	5.54	.....	0.42	7.58
Freight.....	21.77	24.16	.....	2.39	9.89

PRINCIPAL ITEMS OF RENEWAL.

	1881.	1880.		1881.	1880.
Engines—Heavy Repairs.....	129	74	New Trucks.....	18	2
Engines Built at Shop.....	9	13	New Tender Frames.....	54	47
New Boilers and Fire Boxes.....	9	17	New Cabs.....	37	26
New Fire Boxes—(Steel).....	30	16	New Pistons.....	104	96
New Tires—(Rings).....	98	96	New Injectors.....	13	29
New Driving Wheels.....	65	64	New Piston Rods.....	122	93
New Driving Axles.....	55	43	No. Sets Flues Reset.....	145	84
New Truck and Tender Wheels.....	1,160	1,597	No. Tire Rings Turned.....	700	264
New Truck and Tender Axles.....	198	104			
New Bell Ringers.....	9	20	Engines with Air-Brakes.....	67	64
New Sets Flues.....	21	22	Engines—Coal Burners.....	241	192
New Pilots.....	120	63	Engines—Wood Burners.....	13	27

CAR DEPARTMENT.

INVENTORY, DECEMBER 31, 1881.

	1881.	1880.	INCREASE.	DECREASE.
Inspection Cars.....	2	2	....	....
Paymaster Cars.....	1	1	....	....
Dining Cars.....	3	3	....	....
Passenger Cars—First Class.....	84	76	8	....
Passenger Cars—Second Class.....	26	24	2	....
Combination Cars—Passenger and Baggage.....	14	10	4	....
Combination Cars—Baggage and Mail.....	33	31	2	....
Postal Cars.....	6	6	....	....
Way Cars.....	155	137	18	....
Stock Cars—Single Deck.....	335	344	....	9
Stock Cars—Double Deck.....	151	150	1	....
Merchandise Cars—8-Wheel.....	4280	3800	480	....
Merchandise Cars—4-Wheel.....	243	250	....	7
Platform and Coal Cars.....	1431	1382	49	....
Derrick Cars.....	5	3	2	....
Pile Driver Cars.....	1	1	....	....
Total.....	6770	6220	550	....
Passenger Cars.....	169	153	16	....
Freight Cars.....	6601	6067	534	....
Total.....	6770	6220	550	....

PRINCIPAL ITEMS OF RENEWAL.

COACHES—General Repairs (Varnished or Repainted).....	91	
Slight Repairs.....	35—	126
BAGGAGE AND POSTAL—General Repairs (Varnished or Repainted).....	28	
Slight Repairs.....	3	
Built New.....	0—	31
WAY CARS—Built New.....	25	
Rebuilt.....	9	
General Repairs.....	22	
Slight Repairs.....	9—	65
MERCHANDISE CARS—Built New.....	11	
Rebuilt.....	22	
General Repairs.....	282	
Slight Repairs.....	144—	459
STOCK CARS—Built New.....	5	
Rebuilt.....	0	
General Repairs.....	148	
Slight Repairs.....	11—	164
PLATFORM CARS—Built New.....	40	
Rebuilt.....	6	
General Repairs.....	158	
Slight Repairs.....	107—	311
MISCELLANEOUS CARS—Built New.....	1	
General Repairs.....	1—	2

TRACK DEPARTMENT.

TABLE OF TRACKS.	Miles of Main Track.	Miles of Side Track.
Main Line—Detroit to Kensington—		
Main Track..... 270.07		
Second Track..... 89.00		
	359.07	187.18
Air Line Division.....	103.60	11.57
Joliet Division.....	45.00	14.64
Grand River Valley Division.....	84.00	9.87
Jackson, Lansing and Saginaw Division.....	231.80	41.81
Kalamazoo and South Haven Division.....	40.00	3.36
Niles and South Bend Division.....	11.12	1.38
Detroit and Bay City Division.....	150.00	17.12
Total.....	1,024.59	286.43

RENEWALS.	1881.	1880.
Track Ties renewed.....	392.828	334.929
Miles of Track ballasted.....	20.85	34.76
Miles of Fence built—Wire.....	135.91	21.40
Miles of Fence built—Board.....	200.70	86.63
Miles of Fence built—Total.....	336.61	108.03

FUEL DEPARTMENT.

FUEL CONSUMED.		1881.	1880.	Increase.	Per Ct. Inc.	Decrease.	Per Ct. Dec.
Amount.....	{ Wood (Cords).....	38,885	44,862	.....	.....	5,977	13.32
	{ Coal (Tons).....	315,362	236,677	78,685	33.25	.....	.....
Cost.....	{ Wood (Per Cord)..	\$2 50	\$2 26	.24	10.62	.....	.....
	{ Coal (Per Ton)....	2 39	2 25	.14	6.22	.....	.....
Total.....	{ Cost of Wood	\$97,177 52	\$101,201 23	.....	.....	\$4,023 71	3.98
	{ Cost of Coal.....	756,038 87	532,365 93	\$223,672 94	42.01	.....	.....
Total Cost of Fuel.....		\$853,216 39	\$633,567 16	\$219,649 23	34.67	.....	.....

EARNINGS AND EXPENSES.

1880.	EARNINGS.	1881.
\$0,195,970 72	Freight	\$5,675,731 00
2,461,771 31	Passenger.....	2,812,705 53
103,418 73	Mail.....	119,203 29
121,564 20	Express.....	126,070 74
68,650 08	Miscellaneous.....	66,775 71
\$8,951,375 04	Total.....	\$8,800,486 27

EXPENSES.

\$866,648 47	Road Repairs.....	\$1,316,599 01
131,347 10	Bridge Repairs.....	103,149 35
25,297 28	Fence Repairs.....	67,934 26
147,140 05	Building Repairs.....	96,404 58
49,003 29	Water Works Repairs.....	41,010 07
7,099 52	Dock Repairs.....	2,821 58
269,927 53	Locomotive Repairs.....	360,278 08
400,078 30	Car Repairs.....	464,918 01
478,190 20	Locomotive Service.....	576,869 81
474,418 81	Train Service.....	605,104 39
695,064 75	Station Service.....	789,168 68
13,139 98	Water Service.....	13,482 65
198,102 84	General Expenses.....	222,658 62
18,867 61	Legal Expenses.....	21,357 40
10,776 29	Miscellaneous Expenses.....	13,412 89
110,468 52	Foreign Agencies.....	115,933 93
95,976 24	Telegraphing.....	106,175 72
633,567 16	Fuel Consumed.....	853,216 39
28,695 00	Rental.....	29,626 90
104,880 52	Track Rental.....	111,295 71
78,067 88	Oil and Waste.....	92,984 50
30,685 86	Stationery.....	36,597 62
17,219 18	Printing and Advertising.....	19,051 95
13,460 89	Loss and Damage, Freight.....	23,018 77
6,124 73	Loss and Damage, Miscellaneous.....	7,519 25
3,443 30	Stock Killed and Injured.....	6,459 41
60,789 78	Injuries to Persons.....	100,339 81
496,085 79	Car Mileage.....	235,979 12
70,960 34	Commissions.....	74,385 57
5,968 36	Interest.....	1,621 02
	Insurance.....	6,918 16
\$5,541,495 57	Total.....	\$6,516,293 21
197,255 52	Taxes.....	215,802 69
\$5,738,751 09	Total, including Taxes.....	\$6,732,095 90
\$3,212,623 95	NET EARNINGS.	\$2,068,390 37

PER CENT. OF EXPENSES TO EARNINGS.

64.11	Including Taxes.....	76.50
61.90	Excluding Taxes.....	74.05

FREIGHT STATISTICS.

	1881.				1880.			
	Tons moved.	Tons moved one mile.	Rate per ton per mile. Cents.	Earnings.	Tons moved.	Tons moved one mile.	Rate per ton per mile. Cents.	Earnings.
THROUGH:								
Eastward.....	1,353,254	368,260,300	0.473	\$1,742,158 98	1,323,614	337,273,540	0.719	\$2,570,049 75
Westward.....	712,923	196,440,130	0.438	859,775 06	601,812	167,179,440	0.494	826,190 77
Total.....	2,066,177	564,700,430	0.461	\$2,601,934 04	1,925,426	524,452,980	0.648	\$3,396,240 52
LOCAL.....	2,130,719	225,322,500	1.364	3,073,796 96	1,871,711	211,159,015	1.326	2,799,730 20
TOTAL.....	4,196,896	790,022,930	0.718	\$5,675,731 00	3,797,137	735,611,995	0.842	\$6,195,970 72
Increase.....	399,759	54,410,935	.....	.....	.....	.....	.....	.....
Decrease.....	.....	.....	0.124	\$520,239 72	.....	.....	.....	.....

PASSENGER STATISTICS.

	1881.				1880.			
	Passengers moved.	Passengers moved one mile.	Rate per passenger per mile. Cents.	Earnings.	Passengers moved.	Passengers moved one mile.	Rate per passenger per mile. Cents.	Earnings.
THROUGH:								
Eastward.....	84,718	24,059,912	1.895	\$456,027 12	77,447	21,994,948	2.041	\$448,925 63
Westward.....	90,438	25,684,392	1.642	431,851 02	65,892	18,713,328	2.103	393,558 17
Emigrant.....	69,998	19,879,432	0.978	194,493 45	79,052	22,450,768	1.047	234,999 55
Total.....	245,154	69,628,736	1.540	\$1,072,371 59	222,391	63,159,044	1.706	\$1,077,483 35
LOCAL.....	1,884,135	66,082,412	2.634	1,740,333 94	1,477,419	52,364,745	2.644	1,384,287 96
TOTAL.....	2,079,289	135,706,148	2.073	\$2,812,705 53	1,699,810	115,523,789	2.131	\$2,461,771 31
Increase.....	379,479	20,182,359	.....	\$350,934 22	.....	.....	.....	.....
Decrease.....	.....	.....	.058	.....	.....	.....	.....	.....

FUNDED DEBT, INTEREST, RENTS, ETC.

DESCRIPTION.	FUNDED DEBT.			INTEREST.	
	DATE OF ISSUE.	DATE OF MATURITY.	AMOUNT.	RATE.	AMOUNT.
THIS COMPANY'S BONDS.					
Mortgage Loan.....	Oct. 1, 1857	Oct. 1, 1882	\$437,000 00	8 %	\$34,960 00
First Sinking Fund Mortgage.....	Oct. 1, 1857	Oct. 1, 1882	1,037,500 00	8 %	83,000 00
Second Sinking Fund Mortgage.....	Oct. 1, 1857	Oct. 1, 1882	513,000 00	8 %	41,040 00
Michigan Central Air Line Mortgage..	Jan. 1, 1870	Jan. 1, 1890	1,900,000 00	8 %	152,000 00
Consolidated Mortgage.....	May 1, 1872	May 1, 1902	8,000,000 00	7 %	560,000 00
Equipment Mortgage.....	Oct. 21, 1874	April 1, 1883	556,000 00	8 %	44,480 00
Grand River Valley Second Mortgage.	Sept. 1, 1879	Sept. 1, 1909	500,000 00	6 %	30,000 00
Detroit & Bay City First Mortgage	Mar. 1, 1881	Mar. 1, 1931	3,576,000 00	5 %	178,800 00
Total			\$16,519,500 00	....	\$1,124,280 00
LEASED LINE BONDS.					
Michigan Air Line Mortgage.....	Oct. 10, 1870	Nov. 1, 1890	\$200,000 00	8 %	\$16,000 00
Grand River Valley First Mortgage....	Oct. 1, 1866	July 1, 1886	1,000,000 00	8 %	80,000 00
Grand River Valley Rental.....				....	24,560 00
Kal. & South Haven First Mortgage...	Nov. 1, 1869	Nov. 1, 1889	640,000 00	8 %	51,200 00
Kal. & South Haven Second Mortgage.	Nov. 1, 1870	Nov. 1, 1890	70,000 00	8 %	5,600 00
Jackson, Lansing & Sag. First Mort. } Less \$32,000 held by Sinking Fund Trustees, on which interest is not paid, }	May 26, 1865	July 1, 1885	1,024,000 00	8 %	81,920 00
Jackson, Lansing & Sag. First Mort. } Less \$103,000 held by Sinking Fund Trustees, on which interest is not paid, }	April 1, 1867	July 1, 1885	68,000 00	8 %	5,440 00
Jackson, Lansing & Sag. Consol. Mort.	Aug. 31, 1871	Sept. 1, 1891	1,943,000 00	8 %	155,440 00
Jackson, Lansing & Sag. Nor'n Exten.	Mar. 1, 1881	Sept. 1, 1891	1,100,000 00	6 %	66,000 00
Jackson, Lansing & Sag. Rental.....				....	70,000 00
Jackson, Lansing & Sag. Expenses....				....	750 00
Joliet & Northern Indiana Rental.....				....	89,000 00
Total			\$6,045,000 00	....	\$645,910 00
GUARANTEED BONDS.					
Detroit & Bay City.....	May 1, 1872	May 1, 1902	\$274,000 00	8 %	\$21,920 00
Detroit & Bay City.....	May 1, 1873	May 1, 1903	150,000 00	8 %	12,000 00
Total			\$424,000 00	....	\$33,920 00
GRAND TOTAL.....			\$22,988,500 00	....	\$1,804,110 00

FUNDED DEBT, INTEREST, RENTS, ETC.

INTEREST AND RENTS PAYABLE.

Jan. 1st.	Mar. 1st.	Apr. 1st.	May 1st.	June 1st.	July 1st.	Sep. 1st.	Oct. 1st.	Nov. 1st.	Dec. 1st.
		17,480 00					17,480 00		
		41,500 00					41,500 00		
		20,520 00					20,520 00		
76,000 00					76,000 00				
			280,000 00					280,000 00	
		22,240 00					22,240 00		
	15,000 00					15,000 00			
	65,837 50			23,562 50		65,837 50			23,562 50
			8,000 00					8,000 00	
40,000 00					40,000 00				
12,280 00					12,280 00				
			25,600 00					25,600 00	
			2,800 00					2,800 00	
40,960 00					40,960 00				
2,720 00					2,720 00				
	77,720 00					77,720 00			
	33,000 00					33,000 00			
	35,000 00					35,000 00			
	375 00					375 00			
Jan. 10th. 44,500 00					July 10th. 44,500 00				
			10,960 00					10,960 00	
			6,000 00					6,000 00	
216,460 00	226,932 50	101,740 00	333,360 00	23,562 50	216,460 00	226,932 50	101,740 00	333,360 00	23,562 50

C. VANDERBILT,
Treasurer.

CONDENSED BALANCE SHEET.

Construction Accounts:		
Main Line.....	\$28,935,569 95	
Proprietary Line (D. & B. C. R. R.).	3,541,038 89	
Leased Lines.....	5,153,729 92	
Trustee Equipment.....	545,245 82	
	<hr/>	\$38,175,584 58
Investments.....		492,699 99
Fuel and Supplies.....		282,457 37
Accounts Receivable.....		659,566 07
Cash.....		439,519 97
		<hr/>
		\$40,089,827 98
Bond Accounts:		
Mortgage Loan.....	\$556,000 00	
Of these Bonds the Sinking Fund Trustees have purchased and now hold.....	\$119,000	
First Sinking Fund.....	1,508,000 00	
Of these Bonds the Sinking Fund Trustees have purchased and now hold.....	\$470,500	
Second Sinking Fund.....	671,000 00	
Of these Bonds the Sinking Fund Trustees have purchased and now hold.....	\$158,000	
Equipment.....	556,000 00	
Air Line.....	1,900,000 00	
Consolidated.....	8,000,000 00	
Grand River Valley.....	500,000 00	
Detroit & Bay City.....	3,576,000 00	
	<hr/>	17,267,000 00
Proceeds of J. L. & S. Extension Bonds.....		181,943 10
Accounts Payable.....		771,263 52
Income Account:		
To December 31st, 1878.....	\$2,784,598 19	
From January 1st, 1879.....	346,819 17	
	<hr/>	3,131,417 36
		<hr/>
		\$40,089,827 98

INCOME ACCOUNT.

1881.	1881.	
Dec. 31.	Dec. 31.	
Operating Expenses.....	Balance from 1880.....	\$305,964 93
Interest—Main Line.....	Freight Earnings.....	\$5,675,731 00
Interest—Leased Lines..	Passenger Earnings.....	2,812,705 53
Rental—Leased Lines...	Mail Earnings.....	119,203 29
	Express Earnings.....	126,070 74
	Miscellaneous Earnings..	66,775 71
Dividends:		
May 2, 1881, 1½ per cent.	Interest and Dividends from Invest-	8,800,486 27
Aug. 1, 1881, 1 per cent.	ments.....	133,845 35
Balance.....		
		\$9,240,296 55

C. VANDERBILT,
Treasurer.

REPORT
OF THE
LAND COMMISSIONER
OF THE
JACKSON, LANSING & SAGINAW RAILROAD COMPANY.

LANSING, MICH., Jan. 31st, 1882.

MR. WM. H. VANDERBILT,
PRESIDENT MICHIGAN CENTRAL RAILROAD,
New York City:

DEAR SIR—I respectfully submit herewith my annual statement of the business of the Land Department of this Company for the year ending December 31st, 1881:

LANDS AND SALES.

LANDS.	Acres.	Amount.
Unsold January 1st, 1881.....	408,881	
Sold during the year.....	45,667	
Unsold at close of the year.....	363,214	
SALES.		
Lands		\$645,953 41
Timber.....		112,690 50
Total.....		\$758,643 91

The sales for the last five years are as follows:

	1877.	1878.	1879.	1880.	1881.
Acres sold.....	17,086	12,415	14,888	47,124	45,667
Average per acre.	\$8 74	\$9 86	\$11 40	\$14 46	\$14 14
Land sales.....	\$149,397 52	\$122,411 44	\$169,789 44	\$681,341 09	\$645,953 41
Timber sales.....		7,002 00	28,523 48	89,620 63	112,690 50
Total sales...	\$149,397 52	\$129,413 44	\$198,312 92	\$770,961 72	\$758,643 91

RECEIPTS.

Cash on hand January 1, 1881.....	\$84,843 73	
From payments on Land Contracts and Sales.....	465,661 20	
From interest.....	30,657 39	
Total.....		\$581,162 32

DISBURSEMENTS.

Deposited with Second National Bank of Detroit, to the credit of James F. Joy and John N. Dennison, Trustees.....	\$382,767 52	
Deposited with Farmers' Loan and Trust Co. of New York, for purchase and cancellation of Bonds....	104,754 47	
For 14 Extension Bonds, called and paid here.....	14,000 00	
For Taxes.....	36,035 18	
For Salaries.....	6,593 29	
For Advertising, Rents, etc.....	4,558 88	
Cash in hand December 31, 1881.....	32,452 98	
Total.....		581,162 32

BONDS CALLED.

During the year 196 Extension Bonds have been called in, being all of that issue outstanding.

The account with the Farmers' Loan and Trust Company is as follows:

To Balance in their hands January 1, 1881.....	\$347,941 32	
To Cash deposited during the year.....	104,754 47	
Total.....		\$452,695 79

All this fund in the hands of the Farmers' Loan and Trust Company has been actually used in taking up the Bonds of the Company, but as they have not been received at the date of this report, the account is rendered as above.

ASSETS.

The number of acres of land remaining unsold is 363,214, and estimating the same at \$7.50 per acre, which is believed to be a minimum value, we have the following estimated assets:

363,214 acres of land at \$7.50	\$2,724,105 00
Amount due on Land Contracts.....	852,502 97
Bills receivable.....	2,143 15
Joy and Dennison, Trustees	382,767 52
Cash in hand December 31, 1881.....	32,452 98
Total.....	<u>\$3,993,971 62</u>

O. M. BARNES,
Land Commissioner.

REPORT

OF THE

SINKING FUND TRUSTEES.

The Trustees appointed under the Trust Mortgage Deed of the Michigan Central Railroad Company to John N. Forbes, Nathaniel Thayer and H. H. Hunnewell, Trustees, under date of September 29, 1857, report :

That the standing of the Sinking Funds entrusted to them was, on the 31st day of December, 1881, as follows :

To the credit of the First Sinking Fund, viz :

BONDS AT PAR.

Michigan Central Railroad Company.....	\$562,500 00
Joliet and Northern Indiana Railroad Company.....	105,000 00
Burlington and Missouri River Railroad Company.....	191,000 00
Kansas City, Fort Scott and Gulf Railroad Company.....	4,000 00
Jackson, Lansing and Saginaw Railroad Company.....	131,000 00
Dixon, Peoria and Hannibal Railroad Company.....	13,000 00
Ionia and Lansing Railroad Company.....	17,000 00
Chicago, Burlington and Quincy Railroad Company.....	40,000 00
United States.....	308,000 00

STOCK AT PAR.

Michigan Central Railroad Company.....	10,100 00
Detroit, Lansing and Northern Railroad Company.....	7,200 00
Detroit, Hillsdale and Southwestern Railroad Company,	3,500 00
Chicago and West Michigan Railroad Company.....	86,000 00
Fort Wayne and Jackson Railroad Company.....	33,300 00

CASH.

Old Boston National Bank.....	3,635 42
Total.....	<u>\$1,515,235 42</u>

And to the credit of the Second Sinking Fund, viz :

BONDS AT PAR.

Michigan Central Railroad Company.....	\$185,000 00
Joliet and Northern Indiana Railroad Company.....	32,000 00
Jackson, Lansing and Saginaw Railroad Company.....	54,000 00
Burlington and Missouri River Railroad Company.....	63,000 00
Kansas City, Fort Scott and Gulf Railroad Company.....	12,000 00
Ionia and Lansing Railroad Company.....	4,000 00
Chicago, Burlington and Quincy Railroad Company.....	13,000 00
United States.....	114,000 00

STOCK AT PAR.

Michigan Central Railroad Company.....	\$3,200 00
Joliet and Northern Indiana Railroad Company.....	1,000 00
Detroit, Hillsdale and Southwestern Railroad Company.....	2,500 00
Detroit, Lansing and Northern Railroad Company.....	2,600 00

CASH.

Old Boston National Bank.....	1,108 15
Total.....	<u>\$487,408 15</u>
Total Sinking Fund.....	<u>\$2,002,643 57</u>

The accounts for the year ending December 31st, 1881, are as follows:

Michigan Central Railroad First Sinking Fund,

IN ACCOUNT WITH THE TRUSTEES.

1880.			
Dec.	31.	Cash in Old Boston National Bank.....	\$966 24
1881.			
Jan.	1.	Received 6 months interest on \$68,000 United States Bonds....	2,040 00
"	1.	Received 6 months interest on \$17,000 Ionia and Lansing Railroad Bonds.....	680 00
"	1.	Received 6 months interest on \$40,000 Chicago, Burlington and Quincy Railroad Bonds	1,400 00
"	1.	Received 6 months interest on \$13,000 Dixon, Peoria and Hannibal Railroad Bonds.....	520 00
"	17.	Received dividend on 333 shares Fort Wayne and Jackson Railroad Stock.....	1,332 00
Feb.	1.	Received dividend on 101 shares Michigan Central Railroad Stock.....	404 00
March	2.	Received 3 months interest on \$29,000 United States Bonds...	2,463 63
"	2.	Received dividend on 72 shares Detroit, Lansing and Northern Railroad Stock	253 00
"	2.	Received dividend on 860 shares Chicago and West Michigan Railroad Stock.....	2,150 00
April	2.	Received 6 months interest on \$191,000 Burlington and Missouri River Railroad Bonds.....	6,685 00
"	19.	Received accrued interest on \$1,000 Jackson, Lansing and Saginaw Railroad Bonds to October 4, 1879.....	34 50
"	19.	Received for Jackson, Lansing and Saginaw Railroad Bond (called)	1,000 00
"	20.	Received proceeds of sale of \$68,000 United States 6 per cent. Bonds @103 $\frac{3}{4}$	70,550 00
"	30.	Received dividend on 101 shares Michigan Central Railroad Stock.....	151 50
"	30.	Received for Jackson, Lansing and Saginaw Railroad Bonds (called).....	3,000 00
June	7.	Received 3 months interest on \$290,000 United States Bonds..	3,262 63
"	7.	Received 6 months interest on \$4,000 Kansas City, Fort Scott and Gulf Railroad Bonds.....	140 00
July	7.	Received 6 months interest on \$13,000 Dixon, Peoria and Hannibal Railroad Bonds.....	520 00
"	7.	Received 6 months interest on \$17,000 Ionia and Lansing Railroad Bonds.....	680 00
"	7.	Received 6 months interest on \$40,000 Chicago, Burlington and Quincy Railroad Bonds.....	1,400 00
"	13.	Received proceeds of rights under 860 shares Chicago and West Michigan Railroad Stock.....	774 00

Aug.	19.	Received dividend on 101 shares Michigan Central Railroad Stock.....	\$101 00	
Oct.	6.	Received 3 months interest on \$290,000 United States Bonds..	3,262 37	
"	6.	Received 6 months interest on \$191,000 Burlington and Missouri River Railroad Bonds	6,685 00	
Nov.	10.	Received dividend on 72 shares Detroit, Lansing and Northern Railroad Stock.....	252 00	
Dec.	1.	Received 3 months interest on \$308,000 United States Bonds..	3,465 13	
"	1.	Received 6 months interest on \$4,000 Kansas City, Fort Scott and Gulf Railroad Bonds.....	140 00	
"	1.	Received dividend on 333 shares Fort Wayne and Jackson Railroad Stock.....	832 50	
				\$115,143 50
1881.				
Jan.	5.	Paid rent 1 year in advance, safe in Union Deposit vaults.....	\$50 00	
Feb.	26.	Paid cost of \$5,000 in United States 4½ per cent. Bonds.....	5,612 50	
April	14.	Paid cost of \$3,000 in Michigan Central Railroad Sinking Fund Bonds.....	3,300 00	
"	20.	Paid cost of \$71,000 in United States 4½ per cent. Bonds.....	80,762 50	
Oct.	15.	Paid cost of \$18,000 in United States 4½ per cent. Bonds.....	20,373 75	
Nov.	10.	Paid S. Bartlett for legal opinion.....	50 00	
Dec.	31.	Paid commission 1 per cent. on purchases	1,100 49	
"	31.	Paid clerk hire \$150, advertising for Sinking Fund Bonds \$77.64	227 64	
"	31.	Paid express, postage and revenue check stamps.....	31 20	
"	31.	Cash in Old Boston National Bank.....	3,635 42	
				\$115,143 50

Michigan Central Railroad Second Sinking Fund,

IN ACCOUNT WITH THE TRUSTEES.

1880.				
Dec.	31.	Cash in Old Boston National Bank.....	\$1,100 42	
1881.				
Jan.	1.	Received 6 months interest on \$25,000 United States Bonds....	750 00	
"	1.	Received 6 months interest on \$4,000 Iowa and Lansing Railroad Bonds	160 00	
"	1.	Received 6 months interest on \$13,000 Chicago, Burlington and Quincy Railroad Bonds.....	455 00	
"	17.	Received dividend on 10 shares Joliet and Northern Indiana Railroad Stock	40 00	
Feb.	1.	Received dividend on 32 shares Michigan Central Railroad Stock.....	128 00	
March	2.	Received 3 months interest on \$61,000 United States Bonds....	686 20	
"	2.	Received 6 months interest on 26 shares Detroit, Lansing and Northern Railroad Stock.....	91 00	
"	2.	Received dividend on 310 shares Chicago and West Michigan Railroad Stock.....	775 00	
April	2.	Received 6 months interest on \$63,000 Burlington and Missouri River Railroad Bonds	2,205 00	
"	19.	Received accrued interest on \$1,000 Jackson, Lansing and Saginaw Railroad Bond to Nov. 1st, 1880.....	200 00	
"	19.	Received for Jackson, Lansing and Saginaw Railroad Bond (called).....	1,000 00	
"	20.	Received proceeds of sale of \$25,000 United States 6 per cent. Bonds @ 103¾.....	25,937 50	
"	30.	Received dividend on 32 shares Michigan Central Railroad Stock.....	48 00	
May	23.	Received proceeds of sale of 200 shares Chicago and West Michigan Railroad Stock.....	19,137 50	
"	26.	Received proceeds of sale of 110 shares Chicago and West Michigan Railroad Stock	10,431 25	
June	7.	Received 3 months interest on \$108,000 United States Bonds..	1,215 05	
"	7.	Received 6 months interest on \$12,000 Kansas City, Fort Scott and Gulf Railroad Bonds.....	420 00	

July	7.	Received 6 months interest on \$4,000 Ionia and Lansing Railroad Bonds.....	\$160 00	
"	7.	Received 6 months interest on \$13,000 Chicago, Burlington and Quincy Railroad Bonds.....	455 00	
"	13.	Received dividend on 10 shares Joliet and Northern Indiana Railroad Stock.....	40 00	
Aug.	19.	Received dividend on 32 shares Michigan Central Railroad Stock.....	32 00	
Oct.	6.	Received 3 months interest on \$108,000 United States Bonds..	1,214 95	
"	6.	Received 6 months interest on \$63,000 Burlington and Missouri River Railroad Bonds.....	2,205 00	
Nov.	10.	Received dividend on 26 shares Detroit, Lansing and Northern Railroad Stock.....	91 00	
Dec.	1.	Received 3 months interest on \$114,000 United States Bonds..	1,282 57	
"	1.	Received 6 months interest on \$12,000 Kansas City, Fort Scott Gulf Railroad Bonds.....	420 00	
1881.				\$70,680 44
Feb.	1.	Paid rent 1 year in advance safe in Union Deposit Vaults.....	\$50 00	
"	26.	Paid cost of \$2,000 in United States $4\frac{1}{2}$ per cent. Bonds.....	2,245 00	
April	14.	Paid cost of \$5,000 in Michigan Central Railroad Bonds.....	5,500 00	
"	20.	Paid cost of \$22,000 in United States $4\frac{1}{2}$ per cent. Bonds.....	25,025 00	
May	26.	Paid cost of \$25,000 in United States $4\frac{1}{2}$ per cent. Bonds.....	29,187 50	
Oct.	15.	Paid cost of \$6,000 in United States $4\frac{1}{2}$ per cent. Bonds.....	6,791 25	
Dec.	31.	Paid commission 1 per cent. on purchases.....	687 48	
"	31.	Paid clerk hire \$50, advertising for Sinking Fund Bonds \$25.86,	75 86	
"	31.	Paid express, postage and revenue check stamps.....	10 20	
"	31.	Cash in Old Boston National Bank.....	1,108 15	
				\$70,680 44

E. & O. E.

H. H. HUNNEWELL,	} Trustees.
N. THAYER,	
W. H. FORBES,	

Boston, December 31, 1881.

